

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
TYLER DIVISION**

Soverain Software LLC,

Plaintiff,

v.

J.C. Penney Corporation, Inc.,  
Amway Corp.,  
Avon Products, Inc.,  
Bidz.com, Inc.,  
HSN, Inc.,  
HSN Improvements, LLC,  
Cornerstone Brands, Inc.,  
Ballard Designs, Inc.,  
Garnet Hill, Inc.,  
Smith & Noble, LLC,  
The Territory Ahead, Inc.,  
QVC, Inc.,  
Shutterfly, Inc.,  
Victoria's Secret Stores Brand Management,  
Inc.,  
Victoria Secret Direct Brand Management,  
LLC,  
Vistaprint Limited, and  
Vistaprint USA, Inc.

Defendants.

Civil Action No. 6:09-CV-274- LED

**STIPULATION BETWEEN PLAINTIFF SOVERAIN SOFTWARE LLC AND  
DEFENDANTS HSN, INC., HSN IMPROVEMENTS, LLC, CORNERSTONE BRANDS,  
INC., BALLARD DESIGNS, INC., GARNET HILL, INC., SMITH & NOBLE, LLC, THE  
TERRITORY AHEAD, INC. AND ORDER OF DISMISSAL**

Plaintiff Soverain Software LLC and Defendant HSN, Inc., on behalf of itself and  
Defendants HSN Improvements, LLC, Cornerstone Brands, Inc., Ballard Designs, Inc., Garnet  
Hill, Inc., Smith & Noble, LLC, and The Territory Ahead, Inc. (collectively, the "HSN

Entities”), have entered into a Patent License & Settlement Agreement dated January 7, 2011 (the “License Agreement”) and hereby stipulate, subject to approval of the Court, that:

1. Plaintiff’s complaint against each of the HSN Entities is dismissed with prejudice subject to the terms of the License Agreement.
2. Each of the HSN Entities’ counterclaims against Plaintiff is dismissed with prejudice subject to the terms of the License Agreement.
3. Each party shall bear its own attorney’s fees, expenses and costs.

STIPULATED AND AGREED TO:

/s/ Michael C. Smith

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Brands, Inc., Ballard  
Designs, Inc., Garnet Hill, Inc., Smith &  
Noble, LLC, and The Territory Ahead,  
Inc.*

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3) this 18<sup>th</sup> day of January, 2011. Any other counsel of record will be served by facsimile transmission and/or first class mail.

/s/ Michael C. Smith  
Michael C. Smith